



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2006 REGULAR SESSION

SENATE BILL NO. 205

WEDNESDAY, MARCH 8, 2006

The following bill was reported to the House from the Senate and ordered to be printed.

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DATE April 5, 2006
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TREY GRAYSON
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. Adler

AN ACT relating to the School Facilities Construction Commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

1 Section 1. KRS 157.622 is amended to read as follows:

2 The School Facilities Construction Commission shall be governed by the following
3 procedures in providing assistance to school districts for construction purposes:

4 (1) Upon receipt of the certified statements from the Kentucky Board of Education as
5 required by KRS 157.620, the commission shall compute the unmet needs of all
6 eligible districts as defined by KRS 157.615;

7 (2) Assistance to each eligible district shall be determined by computing the ratio of the
8 available state funding to total unmet need statewide. Based on the computed ratio,
9 an equivalent percentage of each eligible district's unmet need will be funded;

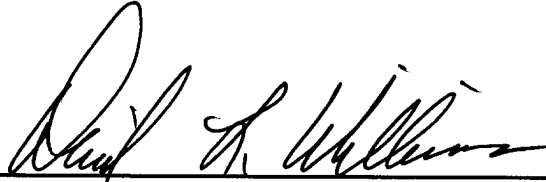
10 (3) Each eligible district which has otherwise complied with the provisions of KRS
11 157.615 and 157.620 shall be offered sufficient funding to finance construction of
12 the portion of its unmet need computed by applying the ratio determined in
13 subsection (2) of this section to the total unmet need of the district. The funds shall
14 be applied to the projects listed on the most current facility plan approved by the
15 Kentucky Board of Education, and the funds shall be applied to projects in the
16 priority order listed on the plan. Exceptions to the priority order of projects may be
17 approved by the School Facilities Construction Commission when it is documented
18 by the local board of education and approved by the Kentucky Board of Education
19 upon the recommendation of the chief state school officer that the school district's
20 priority order of needs has changed. The exceptions shall not alter the amount of the
21 offer of assistance;

22 (4) The commission shall promulgate administrative regulations whereby an eligible
23 district which fails in any budget period to receive an allocation of state funds that is
24 sufficient to fund the district's priority project or portions thereof may accumulate
25 credit, subject to the availability of funds, for its unused state allocation for a period

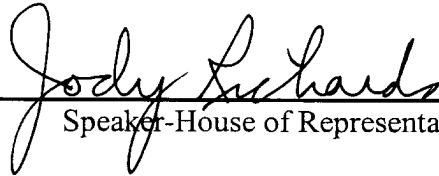
1 not to exceed eight (8)~~four (4)~~ years. Accumulation and retention of credit is
2 contingent upon the transfer of available local revenue to the restricted construction
3 account by June 30 of each year;

4 (5) Except as provided in subsection (6) of this section, all unused state allocations
5 accumulated according to the provisions of subsection (3) of this section shall be
6 reallocated by the commission. The reallocation shall follow the process and intent
7 as set forth in this section with eligible districts being those districts which
8 contribute unused state allocations to the reallocation account. Any district which
9 has an unused state allocation after funding its first priority project in a biennium is
10 not eligible for consideration for additional funds from the reallocation account.
11 Any funding received and utilized from the reallocation account by a district shall
12 equally reduce the credit as set forth in this section; and

13 (6) Refinancing savings that have occurred since July 1, 1997, and subsequent savings
14 to the commission generated over the life of a bond by the local district's
15 refinancing of the bond shall be dedicated to the district's account by the
16 commission. Any funds accumulated in this account shall be used toward the
17 district's next priority, but shall not be deducted from the district's share of
18 commission funds under subsection (3) of this section.



President of the Senate



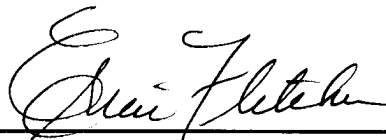
Speaker-House of Representatives

Attest:



Chief Clerk of Senate

Approved



Governor

Date

4/5/06